

Message Text

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15

ACTION NEA-10

INFO OCT-01 AF-04 ARA-06 EA-06 ISO-00 EB-04 FEA-01 AEC-05

AID-05 CEA-01 CIAE-00 CIEP-01 COME-00 DODE-00 FPC-01

H-01 INR-05 INT-05 L-01 NSAE-00 NSC-05 OMB-01 PM-03

RSC-01 SAM-01 OES-02 SP-02 SS-15 STR-01 TRSE-00

FRB-01 PA-01 USIA-06 PRS-01 /097 W

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R 251747Z OCT 74

FM USINT ALGIERS

TO SECSTATE WASHDC 1280

AMEMBASSY ABU DHABI

AMEMBASSY BEIRUT

AMEMBASSY CARACAS

AMEMBASSY JIDDA

AMEMBASSY KUWAIT

AMEMBASSY JAKARTA

AMEMBASSY LAGOS

AMEMBASSY LIBREVILLE

AMEMBASSY QUITO

AMEMBASSY RABAT

AMEMBASSY TRIPOLI

INFO AMEMBASSY BONN

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E.O. 11652: N/A

TAGS: ENRG, AG

SUBJ: OIL PRICING

1. ALGERIAN PRESS OF OCTOBER 22 REPORTED MEETING OF
SONATRACH PRESIDENT, GHOZALI AND PRESIDENT BOUMEDIENNE
PRIOR TO GHOZALI'S DEPARTURE AS SPECIAL ENVOY TO LIBYA,
SAUDI ARABIA, AND IRAQ.

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2. SAME PAPER REPORTS MOHAMED SAHNOUN, AMBASSADOR

DESIGNATE TO BONN, HAS BEEN SENT BY PRESIDENT BOUMEDIENNE TO KUWAIT, UAE, AND QATAR.

3. PRESS SERVICE ALSO REPORTS FOREIGN MINISTRY OFFICIALS GHARBI SENT TO INDONESIA, OMAR OUSSEDIK TO GABON AND NIGERIA, AND DJAMAL HOUHOU TO VENEZUELA AND ECUADOR.

4. FINALLY, ABDESSELLAM, ALGERIAN MINISTER OF INDUSTRY AND ENERGY, WILL ACCOMPANY PRESIDENT BOUMEDIENNE TO ARAB SUMMIT IN RABAT.

5. USINT HAS NO INFORMATION ON PURPOSE OF TRIPS BUT INDIVIDUALS SELECTED AND DESTINATIONS WOULD INDICATE SUBJECT RELATES TO OIL. PRESIDENT BOUMEDIENNE PROBABLY WISHES TO EMPHASIZE HIS BELIEFS EXPRESSED IN HIS PRESS INTERVIEW OF OCTOBER 24, 1974 (FBIS CARRIED TEXT) THAT: (1) OIL IS NOT CAUSE OF WORLD INFLATION, BUT ONLY A PART OF NEEDED REORDERING OF WORLD ECONOMY AND ESPECIALLY ACCOUNTING FOR TRUE VALUE OF RAW MATERIALS (2) OIL REVENUES SHOULD BE INVESTED FIRST IN PRODUCING COUNTRY, SECOND IN ARAB AREA DEVELOPMENT AND THEN IN UNDERDEVELOPED THIRD WORLD RATHER THAN PUT IN WESTERN BANKS WHICH RECEIVE HIGH INTEREST RATES. ALGERIA MAY WELL ALSO PUSH FOR A SINGLE OIL PRICE. AT THE PRESENT TIME ALGERIA SELLS SONATRACH OIL FOR \$12.50 A BARREL WHILE THE FRENCH SHARE OF ALGERIA'S OIL ONLY BRINGS A RETURN OF LESS THAN \$10.00 A BARREL.

6. ANY INFORMATION ON TRIP FROM ADDRESSEE POSTS WOULD BE APPRECIATED.PARKER

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Message Attributes

Automatic Decaptioning: X
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Channel Indicators: n/a
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Concepts: PETROLEUM, POLICIES, PERSONNEL MOVEMENTS
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Copy: SINGLE
Draft Date: 25 OCT 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: shawdg
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
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Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Review Comment: n/a
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Review Markings:

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EO Systematic Review
30 JUN 2005

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